

C. Accounting Safeguards

62. In the Payphone Order and the Accounting Safeguards Order, the Commission concluded that it should apply accounting safeguards identical to those adopted in Computer III to BOCs providing payphone service on an integrated basis.¹⁶² Pursuant to Computer III, the BOCs must adhere to certain accounting procedures to protect ratepayers from bearing misallocated costs. These safeguards consist of five principal elements: (1) the establishment of effective accounting procedures, in accordance with the Commission's Part 32 Uniform System of Accounts requirements and affiliate transactions rules, as well as the Commission's Part 64 cost allocation standards; (2) the filing of cost allocation manuals (CAMs) reflecting the accounting rules and cost allocation standards adopted by the BOC; (3) mandatory audits of carrier cost allocations by independent auditors, who must state affirmatively whether the audited carriers' allocations comply with their cost allocation manuals; (4) the establishment of detailed reporting requirements and the development of an automated system to store and analyze the data; and (5) the performance of on-site audits by Commission staff.¹⁶³ NYNEX must comply with these accounting safeguards. We note that the approval granted to NYNEX in this order is contingent upon the CAM amendments associated with NYNEX's provision of payphone service going into effect.

D. Other Issues

1. Sufficiency

63. APCC, NEPCC and Telco generally assert that NYNEX's CEI plan insufficiently describes how NYNEX intends to comply with the CEI parameters; therefore, these parties request that the Commission require NYNEX to either amend or refile its plan.¹⁶⁴ As discussed above, however, we find that NYNEX adequately complies with each of the required parameters.

2. Tariffing Issues

64. APCC, NEPCC, and IPANY raise various objections to the content of NYNEX's state tariffs.¹⁶⁵ For instance, IPANY asserts that NYNEX's prices for its Smart PAL and Basic PAL services in its New York state tariffs are discriminatory and that NYNEX should be prohibited from offering its payphone operations any special rates not

¹⁶² Payphone Order at paras.157, 199, 201; Accounting Safeguards Order at para. 100.

¹⁶³ BOC Safeguards Order, 6 FCC Rcd at 7591, para. 46.

¹⁶⁴ APCC Comments at 1-2; Telco at 2-4.

¹⁶⁵ APCC Comments at 5-6; NEPCC Comments at 4; IPANY Comments at 9-11.

effectively available (because of volume or term conditions) to unaffiliated PSPs.¹⁶⁶ NYNEX responds that these state tariff issues fall outside the scope of this proceeding, because the Commission has delegated to the states the responsibility of ensuring that the BOCs' state tariffs are in compliance with section 276.¹⁶⁷ NYNEX also claims that any discount or individual contract basis offerings will be state-tariffed offerings, subject to state commission review and available to all PSPs on a nondiscriminatory basis.¹⁶⁸

65. We agree with NYNEX that the state payphone tariff proceedings are the appropriate fora to address complaints concerning rates or terms and conditions in NYNEX's state tariffs. The Commission stated in the Reconsideration Order that it would "rely on the states to ensure that the basic payphone line is tariffed by the LECs in accordance with the requirements of section 276."¹⁶⁹ That order required that the tariffs for these LEC services must be: (1) cost based; (2) consistent with the requirements of section 276 with regard, for example, to the removal of subsidies from exchange and exchange access services; and (3) nondiscriminatory.¹⁷⁰ In addition, the order established that "[s]tates must apply these requirements and the Computer III guidelines for tariffing such intrastate services."¹⁷¹ The order further stated that "[w]here LECs have already filed intrastate tariffs for these services, states may, after considering the requirements of this order, the Report and Order, and section 276 conclude: (1) that existing tariffs are consistent with the requirements of the Report and Order as revised herein; and (2) that in such case no further filings are required."¹⁷² Finally, the Commission noted that "[s]tates unable to review these tariffs may require the LECs operating in their state to file these tariffs with the Commission."¹⁷³

3. Screening Codes

66. Several parties contend that NYNEX is required, pursuant to the Reconsideration Order, to provide PSPs using COCOT lines with screening code digits that

¹⁶⁶ IPANY Comments at 9-11, 15-17.

¹⁶⁷ NYNEX Reply at 5.

¹⁶⁸ Id. at 6-7.

¹⁶⁹ Reconsideration Order at para. 163.

¹⁷⁰ Reconsideration Order at para. 163; see also id. at n.492 (noting that the "new services test required in the Report and Order is described at 47 C.F.R. Section 61.49(g)(2)").

¹⁷¹ Id. at para. 163.

¹⁷² Id.

¹⁷³ Id.

uniquely identify their lines as payphone lines.¹⁷⁴ APCC asserts that if NYNEX transmits a unique code only on its coin lines, which are primarily used only by NYNEX's own payphone operations, and not on its COCOT lines, which are primarily used by unaffiliated PSPs, NYNEX is discriminating in favor its payphone division by providing it a great advantage in the collection of per-call compensation from interexchange carriers.¹⁷⁵ In addition, MCI maintains that NYNEX does not provide screening code digits that can be "transmitted by PSPs for all access methods and from all locations."¹⁷⁶

67. NYNEX responds that it will not discriminate in the provision of screening code digits. Regardless of the identity of the PSP, all traffic originated on Basic PAL and Smart PAL lines will transmit ANI coding digits "27" and "07," respectively.¹⁷⁷ NYNEX explains that a screening code discretely identifying the COCOT line as a payphone will be provided to interexchange carriers through the use of a Line Information Database.¹⁷⁸ NYNEX contends that this approach satisfies the screening code requirements established by the Commission.¹⁷⁹

68. We find that the issue of whether NYNEX is providing screening information in compliance with the requirements established in the payphone rulemaking proceeding to be outside the scope of the CEI review process and is more appropriately raised in that proceeding or in other proceedings.¹⁸⁰

¹⁷⁴ APCC Comments at 15-17; MCI Comments at 1-2; AT&T Comments at 3; NEPCC Comments at 9.

¹⁷⁵ APCC Comments at 17.

¹⁷⁶ MCI Comments at 2. MCI maintains that, for example, LECs "do not provide [automatic number identification] (ANI) or information digits with Feature Group B access and from non-equal access areas." Accordingly, argues MCI, "PSPs would be able to transmit specific payphone coding digits from payphones in these circumstances and, therefore, they would not be eligible for compensation." Id.

¹⁷⁷ NYNEX Reply at 9.

¹⁷⁸ Id.

¹⁷⁹ Id. NYNEX also contends that it is not required to provide ANI or information digits with Feature Group B services. Id. at 10 n.28.

¹⁸⁰ See, e.g., Policy and Rules Concerning Operator Service Access and Pay Telephone Compensation, CC Docket No. 91-35, CCB/CPD File Nos. 96-18, 96-25, and 96-32, Memorandum Opinion and Order, DA 96-2169 at 2 n.7 (rel. Dec. 20, 1996) (citing MCI petition for clarification of LECs' obligation to provide screening code digits and stating that MCI's petition would be addressed in a subsequent order). We note that in its Reconsideration Order, the Commission stated that, once per-call compensation becomes effective, "[e]ach payphone must transmit coding digits that specifically identify it as a payphone, and not merely as a restricted line." Reconsideration Order at para. 64. That order further required that "all LECs must make available to PSPs, on a tariffed basis, such coding digits as part of the ANI for each payphone." Id.

4. Numbering Assignments

69. According to APCC and NEPCC, the Payphone Order requires LECs to assign line numbers to payphones on a nondiscriminatory basis.¹⁸¹ APCC contends that NYNEX should be required to reallocate the numbers assigned to the existing base of payphones, without charge, so that an equal percentage of LEC payphones and PSPs are assigned 8000 and 9000 series numbers.¹⁸² In reply, NYNEX asserts that it will apply the same number assignment process for NYNEX's payphone operations and nonaffiliated PSPs and will not reserve any special block of numbers for its payphone operations.¹⁸³

70. We agree with APCC that the Payphone Order requires LECs to provide numbering assignments on a nondiscriminatory basis; it did not, however, require LECs to reallocate existing number assignments.¹⁸⁴ NYNEX states that it will assign payphone numbers on a nondiscriminatory basis. We conclude that no further showing is required by NYNEX in the context of its CEI plan.

5. Dialing Parity

71. MCI asserts that NYNEX does not explain how it will comply with the dialing parity requirements in the Payphone Order, including access to operator service, directory assistance, and directory listings.¹⁸⁵

72. The Payphone Order concluded that the dialing parity requirements adopted pursuant to section 251(b)(3) of the Communications Act should extend to all payphone location providers.¹⁸⁶ NYNEX must, of course, comply with these requirements. We conclude, however, that NYNEX is not required as part of the CEI process to demonstrate how it will comply with these dialing parity requirements. In the Payphone Order, the Commission specified that a BOC's CEI plan must describe how it will conform to the CEI parameters with respect to the specific payphone services it intends to offer and how it will

¹⁸¹ APCC at 14; NEPCC Comments at 9.

¹⁸² APCC Comments at 14 n.12. APCC states that assignment of numbers in the 8000 to 9000 range provides LEC payphones with a distinct advantage in the prevention of fraud by alerting overseas operators to refrain from completing collect calls to such numbers. Id.

¹⁸³ NYNEX Reply at 10.

¹⁸⁴ Payphone Order at para. 149.

¹⁸⁵ MCI Comments at 2-3.

¹⁸⁶ Payphone Order at para. 292.

unbundle those basic payphone services.¹⁸⁷ Therefore, MCI's request that NYNEX detail how it will comply with the dialing parity requirement is outside the scope of this CEI review proceeding.

6. Uncollectibles

73. AT&T asserts that NYNEX must explain its treatment of uncollectibles due to fraud. AT&T contends that, to the extent NYNEX establishes a policy of foregoing uncollectibles due to fraud for its payphone service affiliates, the same treatment must be accorded to non-affiliates.¹⁸⁸ NYNEX responds that it does not intend to establish any policy of foregoing uncollectibles due to fraud that would discriminate between its payphone operations and nonaffiliated PSPs.¹⁸⁹

74. We find that, while the Payphone Order generally requires that fraud protection must be available on a nondiscriminatory basis, it does not establish any specific requirements for uncollectibles. Because the issue of the treatment of uncollectibles appears to raise principally accounting matters, that issue will be addressed in the review of NYNEX's CAM.

7. Operator Services

75. APCC and NEPCC contend that NYNEX's CEI plan fails to address whether NYNEX's intraLATA operator services are part of its deregulated payphone services.¹⁹⁰ APCC argues that, if operator services are part of NYNEX's regulated operations, NYNEX must show that it is not subsidizing its payphone operations or discriminating between its payphone operations and unaffiliated PSPs in the provision of operator services.¹⁹¹ For example, if NYNEX is offering a commission to its payphone operations for presubscribing its payphones to NYNEX's operator services, then such commissions must also be available to unaffiliated PSPs on the same terms and conditions. IPANY contends that it is not clear from NYNEX's CEI plan whether certain services, such as repair referrals and coin refunds, will be provided by NYNEX to PSPs subscribing to its Basic PAL services.¹⁹² NYNEX responds that

¹⁸⁷ Payphone Order at para. 203-04.

¹⁸⁸ AT&T Comments at 3-4.

¹⁸⁹ NYNEX Reply at 10.

¹⁹⁰ APCC Comments at 18; NEPCC Comments at 10.

¹⁹¹ APCC Comments at 18.

¹⁹² IPANY Comments at 11-12.

all of the regulated services provided by NYNEX to PSPs -- including any operator or switch-based services -- will be provided on a nondiscriminatory basis.¹⁹³

76. Operator services are tariffed regulated services, which must be offered to affiliated and nonaffiliated PSPs on a nondiscriminatory basis. We note that, in the Reconsideration Order, the Commission declined to require LECs to make available, on a nondiscriminatory basis, any commission payments provided to their own payphone divisions in return for the presubscription of operator service traffic to the LEC, because the Commission concluded that the level of 0+ commissions paid pursuant to contract on operator service calls was beyond the scope of section 276 and the Payphone proceeding.¹⁹⁴ We conclude that NYNEX has sufficiently addressed the concerns raised by APCC, NEPCC, and IPANY.

8. Inmate Calling Services Issues

77. The Inmate Calling Service Provider Coalition (ICSPC) raises a number of issues related to the provision of inmate calling services (ICS). ICSPC contends that NYNEX should be required to identify the network support and tariffed services its regulated operations will provide to its ICS operations.¹⁹⁵ ICSPC also argues that NYNEX must disclose whether its regulated operations will provide its ICS operations with inmate call processing and call control functions and information for fraud protection and the validation of called numbers.¹⁹⁶ ICSPC contends that such services or information must be provided to other carriers on a nondiscriminatory basis. In addition, ICSPC asserts that NYNEX should be required to disclose whether its payphone operations will be responsible for the costs of ICS calls for which NYNEX's payphone operations do not receive compensation.¹⁹⁷ According to ICSPC, NYNEX's failure to describe its provision of ICS in detail prevents the Commission from determining whether NYNEX has complied with the requirements of section 276.¹⁹⁸

78. ICSPC also asserts that NYNEX must show that any call processing and call control system used for its ICS is being provided on a deregulated basis, regardless of

¹⁹³ NYNEX Reply at 7. NYNEX represents that, as of April 1, 1997, its operator services operations will no longer provide repair referral or coin refund services to payphone providers. Id. at 8 n.20. See also March 20th Letter (describing the way in which NYNEX's payphone operations will provide coin refunds).

¹⁹⁴ Reconsideration Order at para. 52.

¹⁹⁵ ICSPC Comments at 2-3, 10.

¹⁹⁶ Id. at 10-12, 14-16, 18.

¹⁹⁷ Id. at 17-18.

¹⁹⁸ Id. at 3.

whether that system is located at a central office or at a customer premises.¹⁹⁹ According to ICSPC, to the extent NYNEX's call processing and call control systems dedicated to ICS are located in NYNEX's central offices, NYNEX must provide physical or virtual collocation to other providers.²⁰⁰ ICSPC also contends that NYNEX must disclose information on interfaces between NYNEX's equipment dedicated to ICS and its regulated network support services, so that other providers can utilize the same interface if they wish.²⁰¹

79. In a subsequent ex parte filing,²⁰² ICSPC argues that section 276 requires the BOCs to treat collect call processing for ICS as part of their nonregulated ICS operations because collect calling is fundamental to ICS.²⁰³ According to ICSPC, if a BOC's ICS operation "hands off" collect calls to its network-based operator services division for processing and that division assumes the responsibility and risk associated with billing and collecting for those calls, then the BOC is essentially providing ICS as a regulated service and is still subsidizing that service, contrary to the prohibition in section 276.²⁰⁴

80. In response, NYNEX contends that its CEI plan shows that NYNEX will provide ICS on a deregulated basis, as required by the Commission and by section 276.²⁰⁵ NYNEX further contends that the underlying network services used to interconnect NYNEX's ICS are available on a tariffed basis to all PSPs under the same prices, terms, and conditions.²⁰⁶ Although the equipment used to provide NYNEX's ICS is presently located on the customers' premises, NYNEX contends that it is permitted to locate such equipment within its switching centers without providing such collocation capability to nonaffiliated carriers.²⁰⁷ NYNEX asserts that no network based functionalities used for fraud control and validation in the context of ICS will be uniquely available to NYNEX's PSP operations.²⁰⁸

¹⁹⁹ Id. at 9.

²⁰⁰ Id. at 18.

²⁰¹ Id. at 19.

²⁰² See Letter from Albert H. Kramer, counsel for ICSPC, to William F. Caton, Acting Secretary, Federal Communications Commission (Mar. 19, 1997).

²⁰³ Id. at 1-2.

²⁰⁴ Id. at 2.

²⁰⁵ NYNEX Reply at 15.

²⁰⁶ Id.

²⁰⁷ Id. at 15 n.40.

²⁰⁸ Id. at 16.

With respect to uncollectibles, NYNEX asserts that its treatment of uncollectibles will be the same for calls that originate on NYNEX ICS payphones and other pay telephones.²⁰⁹

81. Section 276 specifically defines payphone service to include the provision of inmate telephone service in correctional institutions.²¹⁰ In the Reconsideration Order, we clarified that the requirements of the Payphone Order apply to inmate payphones that were deregulated in an earlier order.²¹¹ Thus, NYNEX is required to reclassify as unregulated assets all of its payphone assets related to its provision of ICS, with the exception of the loops connecting the inmate telephones to the network, the central office "coin service" used to provide the ICS, and the operator service facilities used to support the ICS.²¹² In addition, NYNEX is required to offer on a tariffed basis any basic payphone service or network feature used by its payphone operations to provide ICS.²¹³

82. We conclude that NYNEX's CEI plan comports with our CEI requirements with respect to its provision of ICS. NYNEX avers that it will deregulate all of its payphone equipment, including that used for ICS,²¹⁴ and that the underlying network services used to interconnect NYNEX's ICS are available on a tariffed basis to all PSPs under the same terms, prices, and conditions.²¹⁵ As previously noted, NYNEX will use its newly-tariffed Inmate PAL service to provide inmate calling services.²¹⁶ Although we agree with ICSPC that any call processing and call control equipment related to NYNEX provision of ICS must be reclassified as deregulated CPE, regardless of whether that equipment is located in a customer premises or a NYNEX central office,²¹⁷ NYNEX represents that it has done so. We also note that NYNEX has committed to make any network-based functionalities it uses for its

²⁰⁹ Id. at 16 n.42.

²¹⁰ 47 U.S.C. § 276(d).

²¹¹ Reconsideration Order at para. 131 (citing Petition for Declaratory Ruling by the Inmate Calling Services Providers Task Force, Declaratory Ruling, 11 FCC Rcd 7362, 7373 (rel. Feb. 20, 1996) (Inmate Service Order); Petitions for Waiver and Partial Reconsideration or Stay of Inmate-Only Payphones Declaratory Ruling, Order, 11 FCC Rcd 8013 (Com. Car. Bur. 1996)).

²¹² See Payphone Order at paras. 157, 159.

²¹³ See id. at paras. 146-49; Reconsideration Order at paras. 162-63.

²¹⁴ NYNEX CEI Plan at 2.

²¹⁵ NYNEX Reply at 15.

²¹⁶ March 20th Letter at 2.

²¹⁷ Payphone Order at paras. 157, 159. See also Inmate Service Order, 11 FCC Rcd at 7373.

provision of ICS available to all PSPs on a nondiscriminatory basis.²¹⁸ More specifically, NYNEX states that PSPs can obtain the same fraud control and CLEC validation information available to NYNEX through NYNEX's LIDB database. In the alternative, a PSP can obtain such information via NYNEX's Operator Services, which NYNEX offers to all carriers on a tariffed basis.²¹⁹ We find no support in the Payphone Order or Reconsideration Order for ICSPC's contention that NYNEX is required to provide collect calling as a nonregulated service when used with inmate payphones.

83. We conclude that the other issues raised by ICSPC related to the provision of ICS either have already been addressed in this Order or are beyond the scope of this proceeding. We find that there is no requirement in the Commission's rules, and the ICSPC has cited no authority, that obligates NYNEX to allow collocation of nonaffiliated providers' call processing and call control equipment in a central office. As previously noted, the issue of NYNEX's treatment of uncollectibles will be addressed in the review of NYNEX's CAM. Finally, with regard to the disclosure of interface information, we have already concluded that NYNEX's CEI plan comports with the Commission's network information disclosure requirements.

9. Primary Interexchange Carrier Selection

84. Oncor asserts that, in order for NYNEX's CEI plan to comply with the "spirit" of the Commission's CEI requirements, the plan must address various issues concerning the payphone primary interexchange carrier (PIC) selection process.²²⁰ AT&T also asserts that NYNEX's CEI plan should describe how NYNEX will ensure that the PIC selection process for payphones will be performed on a nondiscriminatory basis.²²¹ In reply, NYNEX contends that the PIC selection issue is outside the scope of this CEI proceeding. It also represents that it will process all customers' PIC selections in a nondiscriminatory manner.²²²

²¹⁸ See NYNEX Reply at 16.

²¹⁹ Id.

²²⁰ Oncor Comments at 5. According to Oncor, NYNEX should have described: (1) how it will manage the payphone PIC selection and order implementation process; (2) how it will ensure that all PIC orders obtained pursuant to NYNEX agreements with location owners will be handled on a nondiscriminatory basis, and that all valid PIC orders and location provider agreements will be honored and will not be subject to interference by NYNEX or anyone else; (3) how its marketing personnel will be trained and supervised to ensure that they do not misrepresent NYNEX's role in the payphone PIC selection process; and (4) how its personnel involved in the PIC ordering and implementation processes will be trained and supervised to ensure that they do not "interfere" with the sales and marketing of interexchange services from payphones. Id.

²²¹ AT&T Comments at 4.

²²² NYNEX Reply at 17.

85. We conclude that NYNEX is not required as part of the CEI process to demonstrate how it will administer the PIC selection process for payphones. In the Payphone Order, the Commission specified that a BOC's CEI plan must describe how it will conform to the CEI parameters with respect to the specific payphone services it intends to offer and how it will unbundle those basic payphone services.²²³ The payphone rulemaking proceeding, however, did not require the BOCs to describe how they will administer the PIC selection process in their CEI plans, as requested by AT&T and Oncor. Therefore, arguments raised by parties regarding NYNEX's role as PIC administrator are beyond the scope of this proceeding.

10. Call Rating

86. APCC contends that, in order to meet the Commission's CEI requirements, NYNEX must provide a coin line service that allows unaffiliated PSPs to set their own end user rates for local and intraLATA calls, as well as to establish the length of initial and overtime periods.²²⁴ APCC therefore requests the Commission to require NYNEX to develop a more flexible rating feature for its coin line service.²²⁵ NYNEX responds that call rating is not a CEI plan review issue.²²⁶ We agree. The Payphone Order did not require the BOCs to provide to unaffiliated PSPs an unbundled call rating feature for coin line services.²²⁷ In addition, on reconsideration of the Payphone Order, in response to a request that the Commission require access to, inter alia, call rating capabilities,²²⁸ the Commission specifically declined to require further unbundling of payphone services beyond those established in the Payphone Order.²²⁹ As previously noted, independent PSPs may seek additional unbundling through the 120-day ONA process. State regulatory commissions also may impose further unbundling requirements.

²²³ Payphone Order at paras. 203-04.

²²⁴ APCC Comments at 9-11. See also NEPCC Comments at 6-7; IPANY Comments at 12-13. An example of an initial rate is \$0.25 for the first five minutes. An example of an overtime rate is \$0.05 for each additional three minute period after the first five minutes. APCC Comments at 10 n.7.

²²⁵ APCC Comments at 10-11.

²²⁶ NYNEX Reply at 5-6. According to NYNEX, it is technically infeasible for NYNEX to provide coin rating for multiple carriers. PSPs can establish their own initial rate for a local call, but the NYNEX switch is currently limited to one rating schedule, which is established by state regulation. Id.

²²⁷ Payphone Order at paras. 146-48. See also Reconsideration Order at para. 165.

²²⁸ On reconsideration, the New Jersey Payphone Association requested that the Commission require access to call rating capabilities, answer supervision, call tracking, joint marketing, installation and maintenance, and billing and maintenance. See Reconsideration Order at para. 155.

²²⁹ Reconsideration Order at para. 165.

11. Selection of Operator Services Provider

87. APCC requests that the Commission require NYNEX to amend its CEI plan to provide that all nonemergency operator assisted calls will be sent to the provider selected by the PSP.²³⁰ APCC argues that, under section 276, PSPs are entitled to select the operator service provider (OSP) for intraLATA calls, including local, operator-assisted calls, and therefore that, to the extent NYNEX does not permit OSP selection for its coin line service, its CEI plan is inconsistent with section 276.²³¹ NYNEX responds that this issue is outside of the scope of this proceeding. NYNEX also represents that it will comply with the OSP selection requirements established in the Payphone Orders.²³² We concur with NYNEX that APCC's request goes beyond the scope of this proceeding, which is limited to determining whether NYNEX's CEI plan complies with the Commission's Computer III CEI requirements.

12. Interim Compensation Scheme

88. Telco argues that apart from the numerous deficiencies in NYNEX's CEI plan, the Commission should refrain from allowing NYNEX or any BOC to participate in the interim compensation scheme outlined in the Payphone Order.²³³ We find that this argument is beyond the scope of this CEI proceeding. Moreover, the interim compensation rules were addressed at length in the payphone rulemaking proceeding.²³⁴

13. Semi-Public Service Issues

89. APCC maintains that, to the extent that NYNEX's payphone operations continue to offer a "semi-public-like" payphone service that involves charging location providers for lines and usage on their payphones, NYNEX must disclose how such a service will be supported by its network operations and how charges for the service will be treated on the subscriber's bill.²³⁵ We find these semi-public service issues to be beyond the scope of the CEI review process.

²³⁰ APCC Comments at 11-12. See also NEPCC Comments at 7-8.

²³¹ APCC Comments at 11-12.

²³² NYNEX Reply at 8.

²³³ Telco at 5-8.

²³⁴ See, e.g., Reconsideration Order at paras. 114-115 (describing the interim compensation mechanism adopted in the Payphone Order).

²³⁵ APCC Comments at 26.

14. Miscellaneous Other Issues

90. IPANY raises other issues relating to NYNEX's payphone operations. IPANY claims that NYNEX's CEI plan must be amended to reflect that any commissions paid to NYNEX's payphone operations must be made available on the same basis to non-affiliated PSPs.²³⁶ IPANY also contends that NYNEX's CEI plan must address NYNEX's accounting treatment for the cost of a conduit connection between a manhole and a public payphone pedestal.²³⁷ We find that these issues are beyond the scope of this proceeding.

V. CONCLUSION

91. We conclude that NYNEX's CEI plan for its payphone services complies with the Commission's Computer III requirements. Accordingly, in this Order, we approve NYNEX's CEI plan to offer payphone service, as described herein. We also grant NYNEX a waiver of the testing requirement for the provision of its Smart PAL service as described above.

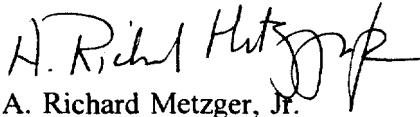
²³⁶ IPANY Comments at 13-15.

²³⁷ IPANY Comments at 17-18.

VI. ORDERING CLAUSE

92. IT IS HEREBY ORDERED that, pursuant to Sections 1, 4(i) and (j), 201, 202, 203, 205, 218, 222, and 276 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151, 154(i) and (j), 201, 202, 203, 205, 218, 222, and 276, and authority delegated thereunder pursuant to Sections 0.91, 0.291 and 1.3 of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, and 1.3, NYNEX's Comparably Efficient Interconnection Plan to Payphone Services Providers IS APPROVED, subject to the requirements and conditions provided herein.

FEDERAL COMMUNICATIONS COMMISSION



A. Richard Metzger, Jr.

Deputy Chief, Common Carrier Bureau